



COMHAIRLE NAN EILEAN SIAR

BUDGET AND STRATEGY BOARD

Minute of Meeting held in Committee Room
1/MS Teams, Council Offices, Stornoway on
Tuesday 16 January 2024 at 11.00am.

PRESENT

Mr Paul F Steele (Chair)
Mr Duncan MacInnes MBE
Mr Iain A MacNeil
Ms Susan Thomson
Mr Uisdean Robertson
Mr Angus Morrison
Mr Ranald Fraser
Mr Kenneth Macleod

Mr Calum Maclean
Mr Donald Crichton
Mr Iain M Macaulay
Dr Frances Murray
Mr Angus McCormack
Mr Norman Macdonald

APOLOGIES

Mr Paul Finnegan

OFFICERS IN ATTENDANCE

Mr Malcolm Burr
Mr Norman MacDonald

Mr Derek Mackay

MINUTES

Minute of Meeting of 25 October 2023

1

The Minute of Meeting of 25 October 2023 was **approved**.

Minute of Meeting of 23 November 2023

2

The Minute of Meeting of 23 November 2023 was **approved**.

FINANCE

Scottish Government Financial Settlement and Comhairle Budget Strategy 2024-25

3

The Chief Executive and Chief Financial Officer submitted a Joint Presentation in respect of the draft Comhairle Budget Strategy for 2024-25. The Presentation outlined the financial context and provided an update on the Scottish Government draft Financial Settlement. The Presentation further provided details of the draft budget expenditure, proposals to address the deficit, policy options, the use of reserves and future planning for 2025/26 and beyond. The Presentation also set out recommendations for the Board to consider.

The Chief Executive indicated that the Comhairle would make representations to the Cabinet Secretary for Finance in relation to the Scottish Government Settlement, SINA and the level of the Floor mechanism. Further representations would be made through COSLA in relation to the funding and future sustainability of local authorities, including seeking Scottish Government consideration of the re-profiling of historic debt.

It was agreed:

- (1) to note the presentation;**
- (2) to note that the savings proposals from the Budget Workshop would be re-circulated to Elected Members; and**
- (3) to recommend that the Comhairle: .**
 - (a) note the terms of the Settlement when finalised;**
 - (b) agree to accept the compensatory payment to allow Council Tax to be frozen for 2024/25, provided that the payment is equivalent to an increase of 5%;**
 - (c) apply the full increase in Council Tax in respect of second homes;**
 - (d) utilise the interest payments from the loan to the Stornoway Port Authority;**
 - (e) utilise the reduction in employer contributions to the Pension Fund;**
 - (f) note that the Chief Financial Officer would re-consider the assumptions made for inflationary increases for fuel and utilities where appropriate;**
 - (g) agree the savings proposals of £1.7m, identified through the budget-saving exercises undertaken by Services, considered at the Budget Workshop in November 2023 and agreed for further discussion at the Budget and Strategy Board of November 2023;**
 - (h) note that necessary corporate costs which arise in-year will be met from unallocated balances;**
 - (i) meet the balance of the 2024/25 budget by planning to use £2m of general reserves, and identification of additional savings;**
 - (j) retain uncommitted reserves at £3.5m, noting that the risks identified and the potential costs of the cyber-attack have increased the risk of additional calls on uncommitted balances;**
 - (k) pass on recommended spend to IJB as far as possible; and**
- (4) that the Chief Executive and Chief Financial Officer prepare a draft Budget 2024/25 on the basis of the recommendations above.**